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SUBJECT: Slow Progress on Port Security; Limited Resources

REF: Addis 413

11. Summary: After two productive visits to Madagascar by the United States Coast Guard International Port Liaison in 2005, the latest Port Security Advisory updated Madagascar's status to acknowledge steps taken at the main port, Tamatave. Minor international ports at Diego Suarez, Majunga, Tulear, and Fort Dauphin remain on the list for enhanced scrutiny given inadequate security measures. Ministry of Transportation seeks to set up port authorities at these lesser sites, and in the process of offering concessions insist on security upgrades. The French Development Agency will finance improvements at Diego Suarez (next to a French naval base), and the World Bank has programs in port infrastructure, but resources are limited. A GOM conference is planned in late March to address both the creation of new port authorities and the security needs of Madagascar's ports. End Summary.

Improved Port Security Advisory (PSA) Status

¶2. (U) The January 24 U.S. Coast Guard PSA 1-06 maintained Madagascar on the list of countries subject to "increased port state control targeting," but excepted the main port of Tamatave (Toamasina). Post communicated the PSA to the Ministry of Transportation and to the port authorities at Tamatave to commend their achievements and call for further efforts to enhance security. U.S. Coast Guard visits and GOM efforts to apply the International Ship and Port Facility Security (ISPS) Code have attracted significant media attention and the support of private sector leaders.

Continued Engagement on Port Security Needed

- 13. (SBU) Tamatave Port has the resources to improve security because it is autonomous and has sufficient revenues; its managers were motivated by a desire to improve efficiency. But only U.S. Coast Guard visits provided adequate advice and oversight for improvements to happen quickly. Similar visits in 2005 to Majunga and Diego Suarez have succeeded in raising the profile of the port security issue in Madagascar. Progress at minor ports is slower due to lack of resources and poor organization, but the political will exists.
- ¶4. (SBU) Other than French support for the Diego Suarez port (neighbor to the French naval base), and potential World Bank infrastructure financing, resources for any port upgrades are limited. The Ministry of Transport, building on the success of the port authority concession at Tamatave,

seeks to establish autonomous ports at Diego Suarez, Majunga, Tulear, and Fort Dauphin by the end of 2007. Until then, given acute GOM budget shortfalls, security improvements must be financed by donors.

15. (U) The presence of major international operators like Maersk, MSC, and Philippine ICTSI in Tamatave bring technology and a sense of urgency to the port security issue there. Tamatave Port Director General Pierrot Botozaza is a seasoned professional with a sound understanding of the links between commerce, economy, and security. In 2005 he embarked on an ambitious plan to expand and secure the entire Tamatave facility - and earned the admiration of the USCG during their October, 2005 visit.

Port Security Conference

- 16. (SBU) Maritime and River Port Agency (APMF) Director General Jerome Sambalis told EconOff he was organizing a national conference for policymakers and operators at the end of March to take stock of existing security measures and create a plan for next steps. DG Sambalis is actively seeking funding and international participation to make the event a reality. African Union (reftel) or U.S. Coast Guard participation would be invaluable.
- 17. (SBU) Comment: Madagascar's Tamatave Port is a case study in the benefits of privatization and security. The port handles about 80 percent of Madagascar's international cargo, including over 90 percent of container traffic. Thus the improvements and PSA status change have a major impact on international commerce. However, Madagascar's 5,000 km coastline remains largely unmonitored and several smaller

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ports have inadequate security. Madagascar's borders overall remain porous until continued engagement and increased resources address remaining weaknesses. End Comment.

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